



Ninety-Eighth Legislature - First Session - 2003
Committee Statement
LB 684

Hearing Date: March 3, 2003

Committee On: Education

Introducer(s): (Raikes)

Title: Change provisions relating to the Private Postsecondary Career School Act

Roll Call Vote – Final Committee Action:

Advanced to General File

Advanced to General File with Amendments

X Indefinitely Postponed

Vote Results:

7	Yes	Senators Schrock, Maxwell, Stuhr, Raikes, Bourne, Byars, McDonald
0	No	
0	Present, not voting	
1	Absent	Senator Brashear

Proponents:

Senator Ron Raikes

Larry J. Scherer

Marshall Borchert

Mike Abdouch

Scott Broady

Jim Haga

Todd Clark

Marge Harouff

Representing:

Introducer

Coordinating Commission for Postsecondary Education

Coordinating Commission for Postsecondary Education

Nebraska Council of Private Postsecondary Career Schools

Vatterott College

Kaplan Hicotter Education

Vatterott College/NCPPCS

State Board of Education/DOE

Opponents:

Representing:

Neutral:

Thomas O'Neill

Representing:

Association of Independent Colleges and Universities of Nebraska

Summary of purpose and/or changes:

Legislative Bill 684 would allow private postsecondary career schools to apply to the Department of Education for approval to award baccalaureate degrees. The Department would refer the application to the Coordinating Commission for Postsecondary Education for approval. The measure would also exempt short-term training and employer provided education from the Private Postsecondary Career School Act and increase fees charged under the Act. Other minor changes are also made to the Act.

Section 85-1603 would be amended by adding definitions for commission and short-term training to the Private Postsecondary Career School Act. Commission would mean the Coordinating Commission for Postsecondary Education. Short-term training would mean classes, courses, or programs of instruction offered for the purpose of training, preparing, or improving a person for an occupation if no more than 16 hours of instruction is required and there are no final course grades given.

Section 85-1604 would be amended by clarifying that education and schools that are exempt from the Private Postsecondary Career School Act include:

1. Education provided by or funded by an employer solely for employees for the purpose of improving the employees in their employment;
2. Not-for-profit private colleges, universities, and entities which award baccalaureate or higher degrees;
3. For-profit private colleges, universities, and entities which award post-baccalaureate degrees; and
4. Entities exclusively offering short-term training.

For-profit private colleges, universities, and entities which award baccalaureate degrees and not post-baccalaureate degrees would be subject to the Private Postsecondary Career School Act.

Section 85-1620 would be amended by allowing private postsecondary career schools to apply to the Department of Education for authority to award baccalaureate degrees. The Department would be required to refer the application to the Coordinating Commission for Postsecondary Education for review and approval. The Commission would make a determination setting forth the program area and name of the degree program. The Commissioner of Education would then issue a certificate setting forth the programs for which baccalaureate degrees may be awarded. The authorization would continue as long as the school remained accredited.

Section 85-1622 would be amended by clarifying that when schools are domiciled in another state and the other state's law authorizing private postsecondary career schools do not apply, the school would be treated the same as schools which are domiciled in a state that does not have a law authorizing private postsecondary career schools. An option for those schools to substitute an onsite evaluation for accreditation requirement would be eliminated.

Section 85-1640 would be amended by clarifying that with regard to the required bonds for agents of private postsecondary career schools, bonds in blanket form must be executed by the school as principal.

Section 85-1643 would be amended by increasing the fees for private postsecondary career schools as follows:

1. Initial application fees would increase from \$200 to \$240 plus the fee per program would increase from \$20 to \$24;
2. Renewal application fees would increase from \$100 to \$120 plus the fee per program would increase from \$20 to \$24;
3. Approval of branch facility fees would increase from \$100 to \$120;
4. Late submissions fees would increase from \$50 to \$60;
5. Agent's permit renewal fees would increase from \$20 to \$24 and the fees would be annual;
6. Accreditation fees would increase from \$100 to \$120;
7. Fees for the initial authorization to award associate degrees would increase from \$100 to \$120;
8. Significant program change fees would increase from \$50 to \$60;
9. Fees for changing name or location would increase from \$25 to \$30
10. Additional new program fees would increase from \$100 to \$120;
11. The charge to out-of-state schools for approval to recruit would increase from \$500 to \$600; and
12. Initial agent's permit fees for out-of-state institutions would increase from \$100 to \$120 and renewals would increase from \$40 to \$48.

The State Board of Education would also be authorized to increase the fees by up to 20% each year for 3 consecutive years. Currently the State Board may raise fees up to 5% once each 3 years.

The proposal contains an emergency clause.

Explanation of amendments, if any:

Senator Ron Raikes, Chairperson